

**EIGHTY-SEVENTH GENERAL ASSEMBLY
2018 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

February 9, 2018

Clip Sheet Summary

Displays all amendments, fiscal notes, and conference committee reports for previous day.

Bill	Amendment	Action	Sponsor
HF 2230	H-8007	Refused to Concur	RECEIVED FROM THE SENATE

Fiscal Notes

[SF 2198](#) — [Prescription Monitoring Program](#) (LSB5275SV)

[HF 2230](#) — [School Foundation Program Funding](#) (LSB6154HV.1)

SENATE AMENDMENT TO
HOUSE FILE 2230

H-8007

1 Amend House File 2230, as passed by the House, as follows:

2 1. Page 1, before line 1 by inserting:

3 <DIVISION I

4 PERCENTS OF GROWTH — REPLACEMENT PAYMENTS>

5 2. Page 2, line 34, after <This> by inserting <division of
6 this>

7 3. Page 2, after line 35 by inserting:

8 <DIVISION ____

9 STATE AND DISTRICT COSTS PER PUPIL

10 Sec. _____. Section 257.2, subsection 12, Code 2018, is
11 amended to read as follows:

12 12. *"Supplemental state aid"* means the amount by which state
13 cost per pupil and district cost per pupil will increase from
14 one budget year to the next as the result of the state percent
15 of growth.

16 Sec. _____. Section 257.8, subsection 5, Code 2018, is amended
17 to read as follows:

18 5. *Alternate supplemental state aid — definitions.*

19 a. For budget years beginning July 1, 2000, and subsequent
20 budget years, references to the terms *"supplemental state aid"*,
21 *"regular program state cost per pupil"*, and *"regular program*
22 *district cost per pupil"* shall mean those terms as calculated
23 for those school districts that calculated regular program
24 supplemental state aid for the school budget year beginning
25 July 1, 1999, with the additional thirty-eight dollars
26 specified in section 257.8, subsection 4, Code 2013.

27 b. For the budget year beginning July 1, 2018, and
28 subsequent budget years, references to *"supplemental state*
29 *aid"* and *"regular program state cost per pupil"* shall mean
30 those terms as calculated including the additional amount for
31 the budget year beginning July 1, 2018, under section 257.9,
32 subsection 2, paragraph "b", and references to "regular program
33 district cost per pupil" shall mean that term as calculated
34 including any adjustments made under section 257.10, subsection
35 2.

1 Sec. _____. Section 257.9, subsection 2, Code 2018, is amended
2 to read as follows:

3 2. *Regular program state cost per pupil for 1992-1993 and*
4 *succeeding years.*

5 a. For the budget year beginning July 1, 1992, and
6 succeeding budget years beginning before July 1, 2018, the
7 regular program state cost per pupil for a budget year is the
8 regular program state cost per pupil for the base year plus the
9 regular program supplemental state aid for the budget year.

10 b. For the budget year beginning July 1, 2018, the regular
11 program state cost per pupil is the regular program state
12 cost per pupil for the base year plus the regular program
13 supplemental state aid for the budget year, plus five dollars.

14 c. For the budget year beginning July 1, 2019, and
15 succeeding budget years, the regular program state cost per
16 pupil for a budget year is the regular program state cost per
17 pupil for the base year plus the regular program supplemental
18 state aid for the budget year.

19 Sec. _____. Section 257.10, subsection 2, paragraph b, Code
20 2018, is amended to read as follows:

21 b. If the regular program district cost per pupil of a
22 school district for the budget year under paragraph "a" exceeds
23 one hundred five percent of the regular program state cost
24 per pupil for the budget year and the state percent of growth
25 for the budget year is greater than two percent, the regular
26 program district cost per pupil for the budget year for that
27 district shall be reduced to one hundred five percent of the
28 regular program state cost per pupil for the budget year.
29 However, under such conditions, if the difference between the
30 regular program district cost per pupil for the budget year and
31 the regular program state cost per pupil for the budget year
32 is greater than an amount equal to two percent multiplied by
33 the regular program state cost per pupil for the base year, the
34 regular program district cost per pupil for the budget year
35 shall be reduced by the amount equal to two percent multiplied

1 by the regular program state cost per pupil for the base year.

2 Sec. _____. Section 257.10, subsection 2, Code 2018, is
3 amended by adding the following new paragraph:

4 NEW PARAGRAPH. *c.* For the budget year beginning July 1,
5 2018, and succeeding budget years, if the regular program
6 district cost per pupil for the budget year calculated under
7 this subsection in any school district is less than the
8 regular program state cost per pupil for the budget year, the
9 department of management shall increase the regular program
10 district cost per pupil of that district to an amount equal to
11 the regular program state cost per pupil for the budget year.

12 Sec. _____. EFFECTIVE UPON ENACTMENT. This division of this
13 Act, being deemed of immediate importance, takes effect upon
14 enactment.

15 DIVISION _____

16 SCHOOL DISTRICT SUPPLEMENTARY WEIGHTING

17 Sec. _____. Section 257.10, subsection 8, paragraph a, Code
18 2018, is amended to read as follows:

19 *a.* Combined district cost is the sum of the regular
20 program district cost per pupil multiplied by the weighted
21 enrollment minus the additional pupils added due to section
22 257.11, subsection 7A, the regular program state cost per pupil
23 multiplied by the number of pupils added due to section 257.11,
24 subsection 7A, the special education support services district
25 cost, the total teacher salary supplement district cost, the
26 total professional development supplement district cost, the
27 total early intervention supplement district cost, and the
28 total teacher leadership supplement district cost, plus the sum
29 of the additional district cost allocated to the district to
30 fund media services and educational services provided through
31 the area education agency, the area education agency total
32 teacher salary supplement district cost and the area education
33 agency total professional development supplement district cost.

34 Sec. _____. Section 257.11, Code 2018, is amended by adding
35 the following new subsection:

1 NEW SUBSECTION. 7A. *School district transportation costs.*

2 *a.* In order to provide additional funds for school district
3 transportation costs resulting from the transportation of
4 resident pupils required by chapter 285 and paid from sources
5 other than the district's physical plant and equipment levy
6 fund under section 298A.4 or revenue received from the secure
7 an advanced vision for education fund under section 423F.2, a
8 supplementary weighting plan for such pupils is adopted.

9 *b.* For the budget year beginning July 1, 2018, and each
10 succeeding budget year, each school district shall be assigned
11 a supplementary weighting amount equal to ten percent of the
12 combined weighting amount calculated under paragraph "c",
13 subparagraph (2), for that budget year.

14 *c.* (1) (a) *Transportation cost factor.* For each budget
15 year beginning on or after July 1, 2018, the department of
16 management shall calculate for each school district all of the
17 following:

18 (i) The sum of the school district's total transportation
19 costs incurred for the transportation of pupils required under
20 chapter 285, and paid from sources other than the district's
21 physical plant and equipment levy fund under section 298A.4
22 or revenue received from the secure an advanced vision for
23 education fund under section 423F.2, for the three years
24 immediately preceding the base year.

25 (ii) The sum of the school district's regular program
26 district cost for the three years immediately preceding the
27 base year, excluding amounts attributable to budget adjustments
28 received under section 257.14.

29 (iii) The school district's budget enrollment multiplied by
30 the quotient of the school district's amount under subparagraph
31 subdivision (i) divided by the school district's amount under
32 subparagraph subdivision (ii).

33 (iv) The school district's amount under subparagraph
34 subdivision (iii) divided by the sum of the amounts calculated
35 under subparagraph subdivision (iii) for all school districts.

1 (v) The amount calculated under subparagraph subdivision
2 (iv) multiplied by ninety percent of the sum of all school
3 districts' transportation costs incurred for the transportation
4 of pupils required under chapter 285 for the year preceding
5 the base year and paid from sources other than the district's
6 physical plant and equipment levy fund under section 298A.4
7 or revenue received from the secure an advanced vision for
8 education fund under section 423F.2.

9 (vi) The quotient of the amount calculated under
10 subparagraph subdivision (v) divided by the regular program
11 state cost per pupil for the budget year.

12 (b) *Budget enrollment factor.* For each budget year
13 beginning on or after July 1, 2018, the department of
14 management shall calculate for each school district all of the
15 following:

16 (i) The quotient of the school district's budget enrollment
17 divided by the statewide total budget enrollment multiplied by
18 five percent of the sum of all school districts' transportation
19 costs incurred for the transportation of pupils required under
20 chapter 285 for the year preceding the base year and paid from
21 sources other than the district's physical plant and equipment
22 levy fund under section 298A.4 or revenue received from the
23 secure an advanced vision for education fund under section
24 423F.2.

25 (ii) The amount calculated under subparagraph subdivision
26 (i) divided by the regular program state cost per pupil for the
27 budget year.

28 (c) *Route miles factor.* For each budget year beginning
29 on or after July 1, 2018, the department of management shall
30 calculate for each school district all of the following:

31 (i) The quotient of the school district's total route
32 miles traveled for the transportation of pupils required under
33 chapter 285 for the year preceding the base year divided by the
34 school district's budget enrollment.

35 (ii) The school district's amount under subparagraph

1 subdivision (i) divided by the sum of the amounts calculated
2 under subparagraph subdivision (i) for all school districts.

3 (iii) The amount calculated under subparagraph subdivision
4 (ii) multiplied by five percent of the sum of all school
5 districts' transportation costs incurred for the transportation
6 of pupils required under chapter 285 for the year preceding
7 the base year and paid from sources other than the district's
8 physical plant and equipment levy fund under section 298A.4
9 or revenue received from the secure an advanced vision for
10 education fund under section 423F.2.

11 (iv) The amount calculated under subparagraph subdivision
12 (iii) divided by the regular program state cost per pupil for
13 the budget year.

14 (2) The combined weighting amount for each school district
15 is the sum of the following:

16 (a) The amount calculated under subparagraph (1),
17 subparagraph division (a), subparagraph subdivision (vi).

18 (b) The amount calculated under subparagraph (1),
19 subparagraph division (b), subparagraph subdivision (ii).

20 (c) The amount calculated under subparagraph (1),
21 subparagraph division (c), subparagraph subdivision (iv).

22 d. Funding received by a school district as the result of
23 supplementary weighting under this subsection shall not affect
24 a school district's eligibility for transportation assistance
25 under section 257.31, subsection 17.

26 e. Amounts received by a school district as the result
27 of supplementary weighting under this subsection shall be
28 deposited in the school district's general fund and may be used
29 for any general fund purpose.

30 f. If a school district established as the result of a
31 reorganization under chapter 275 does not have sufficient
32 transportation cost data, regular program district cost per
33 pupil data, or enrollment data for the calculation of amounts
34 required under this subsection, the department of management
35 shall use estimated transportation cost data, regular program

1 district cost per pupil data, and enrollment data derived from
2 data for prior budget years from each district involved in
3 the reorganization until such amounts can be calculated using
4 actual data for the reorganized school district.

5 *g.* For the budget years beginning July 1, 2018, July 1,
6 2019, and July 1, 2020, and if necessary, any subsequent budget
7 years, if insufficient or incomplete transportation cost data
8 makes the implementation of this subsection impractical, the
9 department of management shall, in consultation with the
10 department of education and the legislative services agency,
11 establish procedures and modified methodologies for calculating
12 supplementary weighting and funding amounts under this
13 subsection.

14 Sec. _____. Section 257.11, subsection 8, Code 2018, is
15 amended to read as follows:

16 8. *Pupils ineligible.* A Except for transportation weighting
17 under subsection 7A, a pupil eligible for the weighting plan
18 provided in section 256B.9 is not eligible for supplementary
19 weighting pursuant to this section unless it is determined
20 that the course generating the supplemental weighting has no
21 relationship to the pupil's disability. A pupil attending an
22 alternative program or an at-risk pupils' program, including
23 alternative high school programs, is not eligible for
24 supplementary weighting under subsection 2.

25 Sec. _____. Section 257.31, subsection 17, paragraphs a and d,
26 Code 2018, are amended to read as follows:

27 *a.* If a district's average transportation costs per
28 pupil exceed the state average transportation costs per
29 pupil determined under paragraph "c" by one hundred fifty
30 percent, the committee may grant transportation assistance aid
31 to the district using exclusively the funds transferred to
32 the committee in accordance with section 321.34, subsection
33 22. Such aid shall be miscellaneous income and shall not be
34 included in district cost.

35 *d.* Funds transferred to the committee in accordance with

H-8007 (Continued)

1 section 321.34, subsection 22, are appropriated to and may be
2 expended for the purposes of the committee, as described in
3 this ~~section~~ subsection. However, highest priority shall be
4 given to districts that meet the conditions described in this
5 subsection. Notwithstanding any other provision of the Code,
6 unencumbered or unobligated funds transferred to the committee
7 pursuant to section 321.34, subsection 22, remaining on June
8 30 of the fiscal year for which the funds were transferred,
9 shall not revert but shall be available for expenditure for the
10 purposes of this subsection in subsequent fiscal years.

11 Sec. _____. EFFECTIVE UPON ENACTMENT. This division of this
12 Act, being deemed of immediate importance, takes effect upon
13 enactment.>

14 4. Title page, by striking lines 2 through 5 and inserting
15 <modifying and establishing provisions relating to the funding
16 of school districts, and including effective>

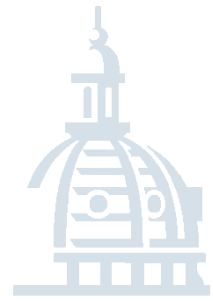
17 5. By renumbering, redesignating, and correcting internal
18 references as necessary.

H-8007 FILED FEBRUARY 8, 2018

REFUSED TO CONCUR

Fiscal Note

Fiscal Services Division



SF 2198 – Prescription Monitoring Program (LSB5275SV)
Analyst: Kenneth Ohms (515.971.7053) kenneth.ohms@legis.iowa.gov
Fiscal Note Version – New

Description

Senate File 2198 amends the **Prescription Monitoring Program** (PMP) in the following ways:

- Expands information collection and required proactive reporting regarding a patient who is suspected to be practitioner shopping or pharmacy shopping or at risk of abusing or misusing a controlled substance.
- Creates an advisory committee appointed by the Board of Pharmacy, as opposed to the current advisory council appointed by the Governor. This advisory committee assists the Board of Pharmacy in establishing the thresholds and other criteria to be used in identifying at-risk patients.
- Authorizes the Board of Pharmacy to establish a surcharge of up to 25.0% on Controlled Substances Act (CSA) registration in Iowa Code section [124.302](#). Revenues are required to be deposited in the Drug Information Program Fund.
- Adds dispensing prescribers to the list of people required to report to the PMP.

Background

The PMP provides authorized prescribers and pharmacists with information regarding their patients' use of controlled substances. It is used as a tool in determining appropriate prescribing and treatment of patients without fear of contributing to a patient's abuse of or dependence on addictive drugs or diversion of those drugs to illicit use. Iowa-licensed pharmacies, including both in-state and nonresident pharmacies, are required to report to the Iowa PMP all Schedule II, III, and IV controlled substances dispensed by the pharmacy to ambulatory patients.

There are approximately 19,500 Controlled Substance Act registrants in Iowa. CSA registration is done biennially, so approximately half renew every year.

Assumptions

- The Board of Pharmacy will establish a surcharge of 14.0%, which will amount to approximately \$12 per registrant.
- The Board of Pharmacy will require 0.5 full-time equivalent (FTE) position for implementing and administering the expanded PMP, including proactive notification issuances. There will also be office equipment costs for additional staff.
- The advisory committee membership will increase from six people to 10 people, and the advisory committee will meet twice per year rather than once per year.

Fiscal Impact

No impact to the General Fund is expected.

The Drug Information Program Fund will receive increased revenue of approximately \$117,000 per year beginning in FY 2019. Increased expenditures from the Fund for staff and board meetings are estimated to total \$105,000 per year beginning in FY 2019.

Source

Board of Pharmacy

/s/ Holly M. Lyons

February 8, 2018

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



HF 2230 – School Foundation Program Funding (LSB6154HV.1)
Analyst: Jocelyn Gerrietts (515.238.2833) jocie.gerrietts@legis.iowa.gov
Fiscal Note Version – As amended by Senate Amendment H-8007

Description

[House File 2230](#), as amended by Senate Amendment H-8007, modifies and establishes provisions related to the funding of school districts including establishing a State supplemental aid rate (percent of growth) and the categorical State percent of growth for the budget year beginning July 1, 2018 (FY 2019), and providing for other changes to the school aid formula. The Bill as amended takes effect upon enactment.

[House File 2230](#) as amended has four provisions with fiscal impact:

- 1.0% State percent of growth rate to be applied to the State cost per pupil for FY 2019 as well as an additional \$5 increase to the State cost per pupil, which will decrease the maximum disparity between the State cost per pupil and district cost per pupil from \$175 to \$170.
- 1.0% State percent of growth rate to be applied to each of the State categorical cost per pupil amounts for FY 2019.
- Provides additional property tax replacement funding based on the per pupil increase that results from the establishment of the State percent of growth in FY 2019. The Bill requires the additional levy portion of the FY 2019 State cost per pupil amount to be frozen at \$750 per pupil, regardless of the per pupil increase for FY 2019. Without enactment of this provision, the increase in the FY 2019 State cost per pupil due to the State percent of growth will include a per pupil property tax increase equivalent to 1/8th (12.5%) of the total per pupil increase.
- Creates a supplementary weighting directly tied to district's transportation costs.

Background

State Cost Per Pupil. The school aid formula provides funding to school districts and Area Education Agencies (AEAs) through a mix of State aid and property tax. In general, funding is generated on a per pupil basis with the per pupil amounts providing an overall budget limitation (or spending authority). There are five FY 2018 State cost per pupil funding levels that will be increased by a 1.0% State percent of growth for FY 2019. **Table 1** provides the supplemental State aid amounts (also referred to as per pupil growth amounts) and State cost per pupil amounts for FY 2019 based on a 1.0% growth rate and the additional \$5 State cost per pupil adjustment. The supplemental State aid amounts will be applied to all corresponding district and AEA cost per pupil amounts.

The \$5 adjustment to the State cost per pupil will function to raise the floor on the State cost per pupil. Districts at the State cost per pupil will receive additional spending authority, while

districts above the State cost per pupil will receive property tax replacement dollars for funding that otherwise would have been generated by the additional levy.

Table 1
HF 2230 as Amended by Senate Amendment H-8007

FY 2019 State Cost Per Pupil Calculations					
	FY 2018 State Cost Per Pupil	FY 2019 State Percent of Growth	Supplemental State Aid	State Cost Per Pupil Adjustment	FY 2019 State Cost Per Pupil
Regular Program	\$ 6,664	1.0%	\$ 67	\$ 5	\$ 6,736
Special Education Program	6,664	1.0%	67	5	6,736
AEA Special Education Services	292.60	1.0%	2.93	N/A	295.53
AEA Media Services	54.55	1.0%	0.55	N/A	55.10
AEA Education Services	60.20	1.0%	0.60	N/A	60.80

State Categorical Supplements. The State categorical supplements are funded entirely through State aid and generate funds for each school district and AEA through the school aid formula on a per pupil basis. The FY 2019 State cost per pupil funding levels for the teacher salary supplement (district and AEA), professional development supplement (district and AEA), early intervention supplement (district only), and Teacher Leadership and Compensation (TLC) (district only) will be increased by a 1.0% State percent of growth for FY 2019. **Table 2** provides the per pupil growth amounts and State cost per pupil amounts for FY 2019 based on [HF 2230](#) as amended by H-8007.

Table 2
HF 2230 as Amended by Senate Amendment H-8007

FY 2019 State Cost Per Pupil Calculations				
	FY 2018 State Cost Per Pupil	FY 2019 State Percent of Growth	Supplemental State Aid	FY 2019 State Cost Per Pupil
Teacher Salary - Districts	\$ 574.27	1.0%	\$ 5.74	\$ 580.01
Professional Development - Districts	65.04	1.0%	0.65	65.69
Early Intervention	70.82	1.0%	0.71	71.53
Teacher Leadership and Compensation	323.27	1.0%	3.23	326.50
Teacher Salary - AEAs	30.05	1.0%	0.30	30.35
Professional Development - AEAs	3.51	1.0%	0.04	3.55

Additionally, there is a budget guarantee provision for each of the State categorical supplements, which provides each district and AEA with a minimum of the previous fiscal year's level of funding (net of the previous year's budget guarantee amount). This provision for the State categorical supplements is funded entirely through State aid.

Property Tax Replacement Payment (PTRP). The enactment of [HF 215](#) (2013 Education Reform Act) included the creation of the property tax replacement payment (PTRP) provision to replace local property tax amounts with State aid. The provision froze the additional levy portion of the State cost per pupil at \$750; based on the State percent of growth enacted during the intervening fiscal years, this provision created \$15 per pupil in property tax relief in FY 2014 and up to \$83 per pupil in FY 2018. The continual growth is a result of this provision requiring that the per pupil property tax relief of previous fiscal years carry forward into future fiscal years. Enactment of HF 2230 as amended by H-8007 will maintain a freeze of the additional levy portion of the State cost per pupil at \$750 in FY 2019. The per pupil property tax relief amount will be based on the State percent of growth enacted for FY 2019. **Table 3** provides detail regarding the State cost per pupil funding levels as provided by a 1.0% growth rate and \$5 adjustment in the State cost per pupil for FY 2019 in HF 2230 as amended by H-8007.

Table 3
HF 2230 as Amended by Senate Amendment H-8007

FY 2019 Property Tax Replacement Payment Calculation					
	FY 2018	Increase Due to Supplemental State Aid Rate	Increase Due to Adjustment	FY 2019	
Regular Program	\$ 6,664	\$ 67	\$ 5	\$	6,736
87.5% Foundation Level	833	8	1		842
PTRP Amount	83	8	1		92
Fixed Additional Levy Portion	750	-	-		750

The second Division of the Amendment creates a supplementary weighting program that provides weighting to districts based on three factors: transportation costs, route miles transported, and district budget enrollment. Ten percent of the generated weights are included in the school aid formula beginning in FY 2019.

Assumptions

- Estimates are based on October 2017 certified enrollments and supplementary weightings for FY 2019 that were approved by the School Budget Review Committee (SBRC) in December 2017.
- A statewide taxable valuation growth rate of 4.45% for FY 2019 was previously agreed upon by the Legislative Services Agency (LSA), the Department of Management (DOM), and the Department of Education. Based on this assumption, the statewide total for the uniform levy is estimated to account for \$37.6 million of the school foundation property tax change in FY 2019 (including the uniform levy portion of the commercial/industrial rollback replacement payment). The estimated increase in the uniform levy amount is not impacted by the establishment of the State percent of growth rate. **Table 4** shows a 4.36% increase in the uniform levy due to changes in the uniform levy rates for school districts undergoing the process of reorganization.
- Property tax adjustment aid amounts are based on the statewide taxable valuation growth factor applied to each school district's FY 2018 taxable valuation amount.

- Other legislation may have an impact on the amount of State aid and property tax generated though the school aid formula. The fiscal impact in **Table 4** includes only the provisions of HF 2230 as amended by H-8007.
- State aid includes funding from the State General Fund and other funds appropriated or deposited in the Property Tax Equity and Relief (PTER) Fund that is used to provide additional property tax relief through the school aid formula.
- Establishing an FY 2019 State percent of growth will also impact the amount of funding generated for the Statewide Voluntary Preschool Program. Funding for the Program is provided by State General Fund dollars and is included in the overall State aid total.
- Districts eligible for the 101.0% budget adjustment will approve use of that adjustment.
- Beginning in FY 2019, the additional \$15.0 million State aid reduction to AEAs implemented in FY 2018 will be restored.
- District-reported depreciation costs are used as an estimate of district spending on transportation through physical plant and equipment levy (PPEL) and Secure an Advanced Vision for Education (SAVE) fund dollars.
- Fiscal Year 2017 depreciation costs are fixed at the FY 2016 level for the purpose of the transportation weighting calculation.
- Created transportation weightings receive State cost per pupil funding, not District cost per pupil funding, as specified by the School District Supplementary Weighting Division of the Amendment.
- Ten percent of the weightings that are generated based on the transportation weighting formula are included in FY 2019. An estimated 1,937.1 weights are generated by this provision. Additional information regarding the creation of transportation weights can be found in Attachment B of the fiscal note for [SF 455](#) (School Equity Bill).

Fiscal Impact

Table 4 provides the estimated fiscal impact of the provisions of [HF 2230](#) as amended by Senate Amendment H-8007. State Supplemental Aid and adjustment, State categorical rate, PTRP implementation, and the creation of supplementary weighting based on transportation costs. This includes:

- Restoration of the \$15.0 million reduction in State aid to the AEAs. Under current law, the reduction will total \$7.5 million (a statutory reduction implemented annually).
- \$52.1 million in PTRP funding, an increase of \$5.3 million compared to FY 2018 and an increase of \$9 per student.
- \$527.2 million for the State categorical supplements for school districts and AEAs, an increase of \$6.7 million (1.3%). This includes:
 - \$298.9 million for the teacher salary supplement.
 - \$33.9 million for the professional development supplement.
 - \$34.9 million for the early intervention supplement.
 - \$159.5 million for the teacher leadership supplement.
 - \$82.3 million for preschool formula funding, an increase of \$4.1 million compared to FY 2018. The preschool formula funding is included in the State aid amount, but is not included in the combined district cost total.
 - \$26.1 million in budget adjustment funding, an increase of \$2.5 million compared to FY 2018. The budget guarantee adjustment is calculated at the school district level so

that school districts receive 101.0% of their previous year's funding. The budget guarantee adjustment is funded entirely through property taxes.

- An estimated \$40,000 in minimum aid funding. The minimum aid funding provision requires that districts receive at least \$300 in State aid funding per student. The provision lowers the affected districts' additional levy portion.
- The total property tax funds generated through the school aid formula are estimated to be \$1.522 billion, an increase of \$46.8 million over FY 2018.
- The total State aid from the General Fund (reflecting the total school aid funding level for school districts and AEAs generated through the school aid formula) is estimated to be \$3.241 billion, an increase of \$61.3 million (1.93%) compared to FY 2018.

Any legislative action affecting FY 2019 school aid provisions will have an impact on school aid amounts. Additionally, any variations in the assumptions noted may result in significant changes in the FY 2019 estimates provided in **Table 4**.

Table 4
HF 2230 as Amended by Senate Amendment H-8007

Legislative Services Agency: FY 2019 School Aid Estimates (Statewide Totals in Millions)

Program Funding:	FY 2018	FY 2019 Estimate	Est. Change	% Change
Regular Program District Cost	\$ 3,244.09	\$ 3,284.90	\$ 40.81	1.26%
Regular Program Budget Adjustment	23.64	26.13	2.49	10.53%
Supplementary Weighting (District)	93.30	99.00	5.70	6.11%
Supplementary Transportation Weighting	0	13.05	13.05	New
Special Education Instruction (District)	430.28	440.81	10.52	2.45%
Teacher Salary Supplement (District)	279.39	282.94	3.55	1.27%
Professional Development Supplement (District)	31.66	32.06	0.40	1.26%
Early Intervention Supplement (District)	34.47	34.90	0.43	1.25%
Teacher Leadership Supplement (District)	157.41	159.47	2.06	1.31%
AEA Special Ed Support District Cost	159.62	162.47	2.85	1.79%
AEA Special Ed Support Adjustment	1.52	1.76	0.24	15.96%
AEA Media Services	28.33	28.68	0.35	1.22%
AEA Ed Services	31.31	31.69	0.38	1.21%
AEA Teacher Salary Supplement	15.75	15.97	0.22	1.43%
AEA Professional Development Supplement	1.85	1.87	0.03	1.59%
Dropout and Dropout Prevention	120.08	120.08	0.00	0.00%
Combined District Cost	\$ 4,630.89	\$ 4,729.51	\$ 98.62	2.13%
Statewide Voluntary Preschool Program	\$ 78.15	\$ 82.26	\$ 4.11	5.25%

State Aid:	FY 2018	FY 2019 Estimate	Est. Change	% Change
Regular Program	\$ 1,940.90	\$ 1,943.96	3.05	0.16%
Supplementary Weighting (Total)	81.29	97.71	16.42	20.20%
Special Education Weighting	375.14	384.52	9.38	2.50%
AEA Special Education Support Services	126.93	128.50	1.57	1.24%
AEA Statewide State Aid Reduction	22.50	7.50	-15.00	66.67%
Property Tax Adjustment Aid (1992)	8.46	8.08	-0.38	-0.81%
Property Tax Replacement Payment (PTRP)	46.76	52.09	5.32	11.38%
Adjusted Additional Property Tax - General Fund	24.00	24.00	0.00	0.00%
Statewide Voluntary Preschool Program	78.15	82.26	4.11	5.25%
Minimum State Aid	0.00	0.04	0.04	New
State Aid from General Fund	\$ 3,179.63	\$ 3,240.88	\$ 61.25	1.93%
Excess from SAVE Fund	9.70	9.50	-0.20	-2.07%
Total State Aid (Includes Non-General Fund)	\$ 3,189.33	\$ 3,250.58	\$ 61.25	1.92%

Local Property Tax:	FY 2018	FY 2019 Estimate	Est. Change	% Change
Uniform Levy Amount	\$ 862.06	\$ 899.68	\$ 37.63	4.36%
Additional Levy	612.69	621.83	9.14	1.49%
Total Levy to Fund Combined District Cost	\$ 1,474.74	\$ 1,521.51	\$ 46.77	3.17%
Comm/Ind - Uniform Levy Replacement	26.29	22.40	-3.89	-14.79%
Comm/Ind - Additional Levy Replacement	19.50	17.28	-2.22	-11.39%

Miscellaneous Information:	FY 2018	FY 2019 Estimate	Est. Change	% Change
Budget Enrollment	485,147.30	486,264.30	1,117.00	0.23%
Number of Districts with Budget Adjustment	179	181	2	1.12%
Percent of Districts with Budget Adjustment	54%	54%	0%	0%
Property Tax Relief Payment per student	\$ 83.00	\$ 92.00	\$ 9.00	10.84%
AEA Funding	\$ 217.20	\$ 236.18	\$ 18.98	8.74%

Sources

Iowa Department of Education, Certified Enrollment and Enrollment Projections File
Iowa Department of Management, School Aid File
Iowa Department of Revenue
LSA analysis and calculations

/s/ Holly M. Lyons

February 8, 2018

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
